


VALUATION PROTECTION OPTIONS

OPTIONS 	OPTION 1 Basic Value Protection	OPTION 2 Depreciated Value Protection		OPTION 3 Replacement Cost Coverage with Deductible		OPTION 4 Replacement Cost Coverage with No Deductible	
	Coverage cannot be less than Option 1	Option 2 is the default level of coverage if the customer fails to select a valuation option		Repair, Reimbursement or Replacement Coverage		Repair, Reimbursement or Replacement Coverage	
Basis for Option Differences	\$.60 Per Pound, Per Item	\$2.00 x Weight of Shipment Fair market value is determined by subtracting depreciation from the replacement cost of an article		Replacement Cost less a \$300 Deductible		Full Replacement Cost	
Unit Cost to Customer	No Charge	For each \$100 of value (value = \$2.00 x weight of shipment)		For each \$100 of declared value (but not less than \$3.50 x weight of shipment)		For each \$100 of declared value (but not less than \$3.50 x weight of shipment)	
		Minimum Rate	Maximum Rate	Minimum Rate	Maximum Rate	Minimum Rate	Maximum Rate
		▲\$.50	▲\$.84	▲\$.43	▲\$.72	▲\$.61	▲\$.1.02
Customer Deductible	None	None		\$300		None	
Option Characteristics	Most economical. Often used if customer has private insurance to cover goods or self-insured.	Provides increased coverage for a low cost. Often used when goods have low value and customer does not have private insurance coverage.		Best coverage for a high-value shipment when customer agrees to assume the risk for minor loss or damage.		Highest cost to customer. Provides the greatest level of coverage with no risk to the customer.	

See **examples** of Option coverage on the back of the form.

EXAMPLES

Examples of the different types of protection, the costs for each, and the coverage received by the customer.

<div> <div>OPTIONS</div> <div>➡</div> </div>		OPTION 1 Basic Value Protection	OPTION 2 Depreciated Value Protection	OPTION 3 Full Value Protection with Deductible	OPTION 4 Full Value Protection without Deductible
Type of Loss Coverage	Example	No Cost	Cost: \$140	Cost: \$300	Cost: \$425
Total Loss the total amount the customer would receive if the entire shipment were lost or destroyed	Shipment weighing 10,000 pounds with a replacement cost of \$50,000	\$6,000 Protection	\$20,000 Protection	\$49,700 Protection	\$50,000 Protection
Small Loss	10 year old lamp, \$60.00 original purchase price, weighing 10 pounds, is broken beyond repair. Replacement cost would be \$75.00.	\$6 Calculation of Coverage: \$.60 per pound x 10 pounds = \$6.00	\$30 Calculation of Coverage: \$75 replacement cost less 60% depreciation = \$30.00	None Calculation of Coverage: Value of Item less \$300 deductible = \$0.00	\$75 Calculation of Coverage: Full replacement value = \$75.00